

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS; EASTERN DIVISION**

IN RE:) CHAPTER 11
)
GLORIA HARDEMON,) NO.: 09-21014
)
DEBTOR.) JUDGE: A. BENJAMIN GOLDGAR

NOTICE OF MOTION

TO: William T. Neary, Office of the U.S. Trustee, 219 S. Dearborn, Room 873, Chicago, IL 60604
GLORIA HARDEMON, 244 E. 14th Street, Chicago, IL 60605

& ATTACHED SERVICE LIST

PLEASE TAKE NOTICE that I shall appear before the Honorable A. BENJAMIN GOLDGAR in the Courtroom 613 in the U.S. Courthouse at 219 South Dearborn Street, Chicago, Illinois on August 24, 2009 at 9:30 a.m. and then and there present the attached Motion.

_____/s/ *Debra J. Vorhies Levine*_____
DEBRA J. VORHIES LEVINE;

AFFIDAVIT OF SERVICE

The undersigned attorney hereby certifies that she served a copy of the attached motion and this Notice of Motion on the above named person(s) by placing a copy of same in an envelope addressed as stated above, postage prepaid, and placing same in the U.S. Mail on August 14, 2009 before 5:00 p.m.

_____/s/ *Debra J. Vorhies Levine*_____
DEBRA J. VORHIES LEVINE

Debra Vorhies Levine
LAW OFFICES OF DEBRA V. LEVINE
53 W. Jackson Blvd., Suite 404
Chicago, IL 60604
(312) 259-5970
#6239484

Americollect Pob 1566 Manitowoc, WI 54221	Amex P.O. Box 981537 El Paso, TX 79998	Amex Po Box 297871 Fort Lauderdale, FL 33329
Bachomeloans 450 American St Simi Valley, CA 93065	Bally Total Fitness 12440 E Imperial Hwy #30 Norwalk, CA 90650	Bk Of Amer 4060 Ogletown/Stn Newark, DE 19713
Cap One Po Box 85520 Richmond, VA 23285	Chase Bank One Card Serv Westerville, OH 43081	Chyslr Fin P.O. Box 9223 Farmington Hil, MI 48333
Citi Pob 6241 Sioux Falls, SD 57117	City of Chicago Department of Water 33 S. State Street, Suite LL10 Chicago, IL 60604-3979	Commonwealth Edison & Co. System Credit/Bankruptcy Department 2100 Swift Drive Oak Brook, IL 60523
Discover Fin Svcs Llc Po Box 15316 Wilmington, DE 19850	Dsnb Macys 9111 Duke Blvd Mason, OH 45040	Harris N.A. 111 W Monroe Chicago, IL 60603
Illinois Collection Se 8231 185th St Ste 100 Tinley Park, IL 60487	Internal Revenue Service Mail Stop 5010 CHI 230 S. Dearborn St. Chicago, IL 60604	National City 1 National City Pkwy Kalamazoo, MI 49009
Nbgl-Carsons 140 W Industrial Dr Elmhurst, IL 60126	Northern Trust P.O. Box 75965 Chicago, IL 60675-5965	Peoples Engy 130 E Randolph Chicago, IL 60601
Peoplesene 130 E. Randolph Drive Chicago, IL 60601	Rnb-Fields3 Po Box 9475 Minneapolis, MN 55440	Sallie Mae 1002 Arthur Dr Lynn Haven, FL 32444

Sears/Cbsd	Shore Bk	Shore Bk
Po Box 6189	7936 S Cottage Gro	7936 S. Cottage Grove
Sioux Falls, SD 57117	Chicago, IL 60619	Chicago, IL 60619

Wfnnb/Roomplace	Wfnnb/Service Merch Pr
Po Box 2974	Po Box 2974
Shawnee Mission, KS 66201	Shawnee Mission, KS 66201

Commonwealth Edison & Co.
Veronica Gomez as registered agent
10 S. Dearborn, 49th Floor
Chicago, IL 60603

Peoples Gas, Light & Coke Company
Timothy P. Walsh as registered agent
130 E. Randolph Dr.
Chicago, IL 60601

United States Attorney
219 South Dearborn Street
Chicago, IL 60604

Internal Revenue Service
Mail Stop 5010 CHI
230 S. Dearborn Street
Chicago, IL 60604

Associate Area Counsel SB/SE
Internal Revenue Service
Suite 2300
200 West Adams Street
Chicago, IL 60606-5208

D. Patrick Mullarkey
Tax Division (DOJ)
P.O. Box 55
Ben Franklin Station
Washington, D.C. 20044

Chrysler Financial Services Americas, L.L.C.

f/k/a Daimler Chrysler Financial Services Americas, L.L.C.

c/o Riezman Berger, P.C.

7700 Bonhomme Ave.

7th Floor

St. Louis, Mo 63105

Kathryn A Klein

Riezman Berger PC

7700 Bonhomme

7th Floor

St Louis, MO 63105

Daniel Rubin, attorney for Harris Bank

Statman Harris Eyrich

200 W. Madison St. Suite 3820

Chicago, IL 60654

Shorebank Corporation

David J. Oser as registered agent

7054 S JEFFERY BLVD

Chicago, IL 60649

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**IN THE UNITED STATES BANKRUPTCY COURT
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IN RE:)	CHAPTER 11
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GLORIA HARDEMON,)	NO.: 09-21014
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DEBTOR.)	JUDGE: A. BENJAMIN GOLDFAR

DEBTOR'S MOTION TO ALLOW INTERIM USE OF CASH COLLATERAL

NOW COMES GLORIA HARDEMON, by and through her attorney, Debra V. Levine and moves this Honorable Court to enter an order pursuant to Section 363 of the Bankruptcy Code, Rule 4001(b) of the Federal Rules of Bankruptcy Procedure and Local Rule 4001-2 for authority to use cash collateral and in support thereof states as follows

1. On June 9, 2009 Debtor filed a voluntary petition in the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division seeking to reorganize under Chapter 11 of the Bankruptcy Code.
2. Debtor is now operating as a debtor in possession. No trustee, examiner, or committee of unsecured creditors has been appointed to serve in this case.
3. Debtor is an individual presently residing at 244 E. 14th Street, Chicago, IL 60605. She is a real estate developer, owning and managing properties in the Chicago Metro area.
4. Through this Motion Debtor is seeking to use the cash collateral of the following three income-producing, investment properties that are encumbered by the mortgages and assignment of rents of Shorebank to pay the ordinary and necessary operating expenses of these properties pursuant to 11 U.S.C. §363. These properties are in good condition, fully insured against loss, and not subject to "waste" that would reduce the value of these properties during this bankruptcy case. Also, as reflected in the Schedules of the Debtor these properties have substantial value in excess of the amount due to this credit facility, and thus an "equity cushion" exists, which in itself, adequately protects the interest of Shorebank pursuant to sections 361 and 362 of the Bankruptcy Code:

A. 8128-30 S. Maryland, Chicago, Illinois.

This property is a multi unit apartment building consisting of three four-room, one-bedroom, one bath units and three five-room, two bedroom, one bath units.

Shorebank holds two mortgages on the property. The building currently has five tenants and one vacant unit. On September 26, 2006 Shorebank recorded a mortgage against this property as document number 0626941033 and an Assignment of Rents as document number 0626941034 with the recorder of Deeds to secure the payment of the principal indebtedness of \$250,000. On December 4, 2008 Shorebank recorded a second mortgage against this property as document number 0834008076 and an Assignment of Rents as document number 0833957061 with the recorder of Deeds to secure the payment of the principal indebtedness of \$100,000. As of the date of the filing of the petition the amount due to Shorebank for the indebtedness on the first mortgage was approximately \$235,000. As of the date of the filing of the petition the amount due to Shorebank for the indebtedness on the second mortgage was approximately \$100,000. Currently, this property generates \$3,075 in monthly rents and has monthly expenses of \$3,075. The breakdown of income and expenses of this property is set forth in Exhibit A, attached hereto and made a part hereof.

B. 8527 S. Stony Island, Chicago, Illinois

This property is a piece of commercial real estate containing eight offices with two separate entrances, each with a small reception area. The building is presently at capacity with three tenants. Shorebank holds two mortgages on this property. On August 23, 2005 Shorebank recorded a first mortgage against this property as document number 0523514082 and an Assignment of Rents as document number 0523514083 with the recorder of Deeds to secure the payment of the principal indebtedness of \$205,000. On March 12, 2007 Shorebank recorded a second mortgage against this property as document number 0707147087 and an Assignment of Rents as document number 0707147088 with the recorder of Deeds to secure the payment of the principal indebtedness of \$125,000. As of the date of the filing of the petition the amount due to Shorebank for the indebtedness on the first mortgage was

approximately \$185,000. As of the date of the filing of the petition the amount due to Shorebank for the indebtedness on the second mortgage was approximately \$119,000. Currently this property generates \$3,700 in monthly rent and has monthly expenses of \$3,700. The breakdown of income and expenses of this property is set forth in Exhibit B, attached hereto and made a part hereof.

;and

C. 321-27 E. 39th Street, Chicago, Illinois.

This property is a commercial building with a gated a paved parking lot. The building itself contains four storefronts, three of which are 900 square feet each and one which is 1800 square feet. The building presently has one tenant and three vacant units. Shorebank holds two mortgages on the property. On August 23, 2005 Shorebank recorded a first mortgage against this property as document number 0623541062 and an Assignment of Rents as document number 0623541063 with the recorder of Deeds to secure the payment of the principal indebtedness of \$440,000. On November 19, 2008 Shorebank recorded a second mortgage against this property as document number 0832408090 and an Assignment of Rents as document number 0832408089 with the recorder of Deeds to secure the payment of the principal indebtedness of \$50,000. As of the date of the filing of the petition the amount due to Shorebank for the indebtedness on the first mortgage was approximately \$422,000. As of the date of the filing of the petition the amount due to Shorebank for the indebtedness on the second mortgage was approximately \$50,000. Currently, this property generates \$2,088 in monthly rents and has monthly expenses of \$2,538. The breakdown of income and expenses of this property is set forth in Exhibit C, attached hereto and made a part hereof.

5. Other than through the use of the rent proceeds described in paragraph 4 of this Motion, presently the Debtor lacks funds with which to pay the ordinary and necessary operating expenses of these properties.. The Debtor is unable to acquire an unsecured loan for the purposes of funding this administration, and for that matter is unable to acquire funding from any source on any reasonable secured or unsecured

- basis.
6. To assist the Debtor in her reorganization, and specifically to preserve the value of these properties (including to maintain the habitability of these properties for the tenants occupying and paying rent), the Debtor requires the use of the rent proceeds generated from these properties in the approximate amounts set forth in the budgets, one for each property, attached hereto as Exhibits A, B, & C. Further, the Debtor will suffer immediate and irreparable harm without the immediate use of this cash collateral.
 7. As and for adequate protection of Shorebank's interest in 8128-30 S. Maryland in Chicago, Illinois and its rents (in addition to any "equity cushion" existing), the Debtor proposes:
 - (a) Shorebank be granted valid and perfected replacement liens in 8128-30 S. Maryland to the same extent and with the same priority as held prepetition.
 - (b) The Debtor shall maintain adequate property insurance on 8128-30 S. Maryland with Shorebank as a lienholder and loss payee.
 - (c) Beginning July 1, 2009 and on the 1st of each month thereafter, the Debtor shall make an adequate protection payment to Shorebank in an amount totaling \$1985.00 for both mortgages
 8. As and for adequate protection of Shorebank's interest in 8527 S. Stony Island in Chicago, Illinois (in addition to any "equity cushion" existing) and its rents, the Debtor proposes:
 - (a) Shorebank be granted valid and perfected replacement liens in 8527 S. Stony Island to the same extent and with the same priority as held prepetition.
 - (b) The Debtor shall maintain adequate property insurance on 8527 S. Stony Island with Shorebank as a lienholder and loss payee.
 - (c) Beginning July 1, 2009 and on the 1st of each month thereafter, the Debtor shall make an adequate protection payment to Shorebank in the

9. As and for adequate protection of Shorebank's interest in 321-27 E. 39th Street in Chicago, Illinois and its rents(in addition to any "equity cushion" existing), the Debtor proposes:

- (a) Shorebank be granted valid and perfected replacement liens in 321-27 E. 39th Street to the same extent and with the same priority as held prepetition.
- (b) The Debtor shall maintain adequate property insurance on 321-27 E. 39th Street with Shorebank as a lienholder and loss payee.
- (c) Beginning July 1, 2009 and on the 1st of each month thereafter, the Debtor shall make an adequate protection payment to Shorebank in the amount of \$2,088.00.

10. The Debtor needs immediate use of the funds to insure that her properties are running smoothly and efficiently and therefore requests that an interim order be entered until such time as a final hearing may be held on the matter.

11.. For the reasons set forth herein, this Honorable Court should grant the relief requested in this motion.

WHEREFORE, the Debtor, GLORIA HARDEMON, respectfully requests this Honorable Court to enter an order allowing the Debtor to use the cash collateral in the interim, to set a date for a final hearing on the use of cash collateral and for any other relief deemed necessary and just.

Respectfully submitted,
/s/ Debra J. Vorhies Levine

Debra J. Vorhies Levine
Law Offices of Debra V. Levine
53 W. Jackson Blvd., Suite 404
Chicago, IL 60604
(312) 259-5970
#6239484

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IN RE:) CHAPTER 11
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GLORIA HARDEMON,) NO.: 09-21014
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DEBTOR.) JUDGE: A. BENJAMIN GOLDGAR

INTERIM ORDER ALLOWING USE OF CASH COLLATERAL

THIS MATTER COMING BEFORE THE COURT on Debtor's INTERIM MOTION TO USE CASH COLLATERAL, all parties having been given due notice and present or represented by council, and the Court being fully advised in the premises,

IT IS HEREBY ORDERED:

- A. The Debtor is authorized in the interim to use cash collateral in the amount of \$3,075 to pay the ordinary expenses of the operation of the real property located at 8128-30 S. Maryland, Chicago, Illinois from the rent proceeds generated from the real property in the manner described in the budget attached hereto as Exhibit A from the date of this order until the date of the final hearing set in Paragraph D of this interim order.
- B. The Debtor is authorized in the interim to use cash collateral in the amount of \$3,700 to pay the ordinary expenses of the operation of the real property located at 8527 S. Stony Island, Chicago, Illinois from the rent proceeds generated from the real property in the manner described in the budget attached hereto as Exhibit B from the date of this order until the date of the final hearing set in Paragraph D of this interim order.
- C. The Debtor is authorized in the interim to use cash collateral in the amount of \$2,088 to pay the ordinary expenses of the operation of the real property located at 321-27 E. 39th Street in Chicago, Illinois from the rent proceeds generated from the real property in the manner described in the budget attached hereto as Exhibit C from the date of this order until the date of the final hearing set in Paragraph D of this interim order.

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D. This matter is set for a final hearing on September _____, 2009 at _____

DATED: _____ ENTER

JUDGE

Debra Vorhies Levine
DVL Law Offices
53 W. Jackson Blvd., Suite 404
Chicago, IL 60604
#6239484